IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY PETITION No. 129 of 2007

For Approval and Signature:

HONOURABLE MR.JUSTICE JAYANT PATEL

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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GUJARAT RAFFIA INDUSTRIES LTD. - Petitioner(s)
Versus
. - Respondent(s)

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Appearance :
MRS SANGEETA N PAHWA for Petitioner(s) : 1,
None for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE JAYANT PATEL

Date : 21/09/2007

ORAL JUDGMENT

1. The present petition is for sanctioning the proposal for reduction of the Company's paid-up share capital from Rs.9,98,95,550/-

(Rs.10,21,87,000/- being the issued and subscribed capital less forfeited share capital Rs.22,91,500/-) divded into 99,89,550 equity shares of Rs.10/- each fully paid-up to Rs.4,99,47,750/- divided into 99,89,550 equity shares of Rs.5/- each fully paid up.

2. Mr.Pahwa, learned Counsel during the course of the hearing, has placed on record copy of the order dated 19.6.2007 passed by this Court (Coram: M.R. Shah, J.) in Company Application No.258 of 2007 in the present Company Petition whereby this Court has dispensed with the procedure as laid under Section 101(2) of the Companies Act (hereinafter referred to as the “Act”) since the reduction in the share capital as declared by the Company, is not going to affect adversely to any of the creditors of the company.

3. On 19.6.2007, in the present petition the order of admission was passed and this Court further ordered for publication in two newspapers; one India Express (English daily) and Sandesh (Gujarati daily), both Ahmedabad editions.

4. Pursuant thereto, the affidavit is filed by Mr.Pradeep Bhutoria together with the paper publication of the advertisements in Sandesh as well as Indian Express, both dated 7.8.2007.

5. As per the affidavit filed by Mr.Pradeep Bhutoria dated 9th September, 2007, copy whereof is produced by Mr.Pahwa during the course of hearing, no objection is received by the Company or its Advocate in response to the public advertisements for reduction of the share capital.

6. No other adverse circumstances are brought to the notice of this Court.

7. Hence, the reduction of the paid-up share capital is sanctioned.

8. The minutes mentioned at para 12 are confirmed and be recorded as per the provisions of the Companies Act. The publication of the order for reduction of the share capital and registration thereof be published in Indian Express (English daily) and Sandesh (Gujarati daily) – both Ahmedabad editions, within two weeks after the registration of the same with the office of the

Registrar of Companies, so as to make it known to the public at large.

9. No further publication in the Government Gazette shall be required.

10. The petition is allowed to the aforesaid extent.

21.9.2007 **(Jayant Patel, J.)**